



Q1 FY2022 Earnings Update



Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in BPO services including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on client contracts, client concentration, our ability to manage ramp-ups and growth, our ability to manage our international operations, reduced demand in our key focus verticals, disruptions in telecom infrastructure and technology, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, performance of our subsidiaries, withdrawal of government fiscal incentives, political instability, legal restrictions on raising capital and acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Firstsource may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.





GROWTH MOMENTUM CONTINUED

- Constant currency revenue growth of 38.5% in constant currency YoY
- Sales momentum remains strong. 17 new clients added this quarter

STRONG EXECUTION ACROSS BUSINESSES

- Solid growth in Healthcare; expected to be the growth driver this year
- Growth in Banking & Financial Services and Communications Media & Tech as well

FY2022 GROWTH ESTIMATES

- Revenue expected to grow between 15-18% in constant currency
- Operating Margins expected to be in range of 11.8-12.3%

Summary of Performance During the Quarter



REVENUES

₹ 14,848 Million
(US\$ 201.3 Million)

YoY growth of 39.8%
Constant Currency growth of 38.5%



OPERATING MARGIN

₹ 1,800 Million
(Margin 12.1%)

YoY Margin expansion of 111 bps



PROFIT AFTER TAX

₹ 1,345 Million
(Margin 9.1%)

YoY Margin expansion of 71 bps

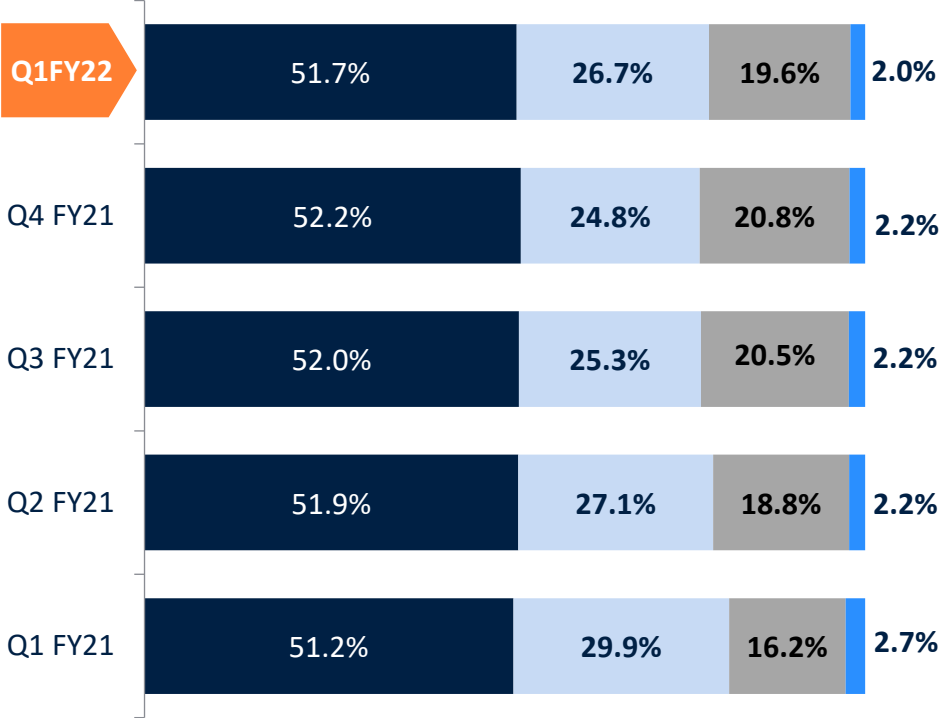


EARNINGS PER SHARE (Diluted)

₹ 1.91
per share

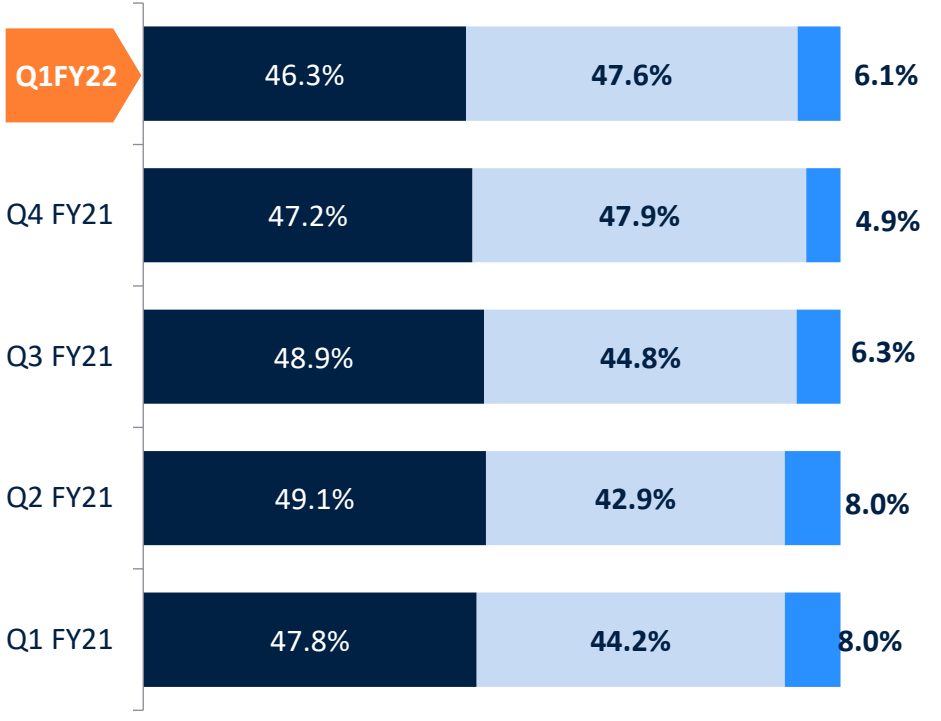
Q1FY'21 at ₹ 1.27 per share

REVENUE SPLIT BY VERTICALS



Banking & Financial Services Healthcare
Communication, Media & Tech Diverse Industries

REVENUE SPLIT BY SERVICE LINES



Digitally Empowered Contact Centre Intelligent Back Office
Platforms, Automation & Analytics

Client Concentration

Top Client

Q1FY22

16.3%

Q4FY21

17.5%

19.5 years

Total Tenure

Top 5 Clients

Q1FY22

42.0%

Q4FY21

42.3%

14.1 years

Average Tenure



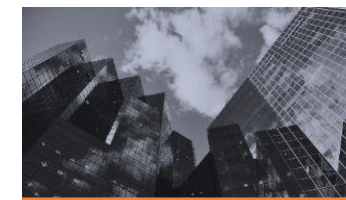
5 of Top 15

Mortgage servicers in the US



2 of Top 6

Retail banks in the UK



5 of Top 15

Mortgage Lenders in the US



1,000+

Hospitals in the US



6 of Top 10

Health insurance/ managed care companies in the US



1 of Top 3

Utility companies in the UK



5 of Top 10

Credit card issuers in the US



1 of Top 2

Broadcasting and media companies in the UK



2 of Top 6

Telecom and broadcasting companies in the US



Annexure

Financial Performance (Quarterly)

In ₹ million	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021	Q4 FY 2021	Q1 FY 2022
Income from services	9,669	9,715	10,446	10,673	10,537	11,783	13,510	14,496	14,780
Other operating Income	129	134	89	132	85	94	142	132	68
Revenue from operations	9,798	9,849	10,535	10,804	10,622	11,877	13,652	14,628	14,848
Revenue from operations (USD Mn)	\$ 141	\$ 140	\$ 148	\$ 149	\$ 141	\$ 160	\$ 185	\$ 200	\$ 201
<i>QoQ Growth % - Constant Currency</i>	<i>2.0%</i>	<i>1.1%</i>	<i>4.7%</i>	<i>0.6%</i>	<i>-4.3%</i>	<i>12.2%</i>	<i>14.6%</i>	<i>7.0%</i>	<i>0.5%</i>
<i>YoY Growth % - Constant Currency</i>	<i>5.2%</i>	<i>4.5%</i>	<i>8.3%</i>	<i>8.2%</i>	<i>1.6%</i>	<i>13.1%</i>	<i>23.8%</i>	<i>31.7%</i>	<i>38.5%</i>
Personnel Expense	6,611	6,722	7,053	7,350	7,128	7,985	9,503	10,057	10,219
Operating Expense	1,530	1,803	1,816	1,813	1,826	2,016	2,046	2,229	2,246
Operating EBITDA	1,657	1,325	1,666	1,641	1,668	1,876	2,103	2,342	2,383
<i>Operating EBITDA %</i>	<i>16.9%</i>	<i>13.4%</i>	<i>15.8%</i>	<i>15.2%</i>	<i>15.7%</i>	<i>15.8%</i>	<i>15.4%</i>	<i>16.0%</i>	<i>16.1%</i>
Depreciation / amortization	439	455	484	474	498	519	513	534	584
Operating Margin	1,217	870	1,182	1,168	1,170	1,358	1,590	1,809	1,800
<i>Operating Margin %</i>	<i>12.4%</i>	<i>8.8%</i>	<i>11.2%</i>	<i>10.8%</i>	<i>11.0%</i>	<i>11.4%</i>	<i>11.6%</i>	<i>12.4%</i>	<i>12.1%</i>
Other Income / (expense)	(34)	65	2	(16)	(7)	16	7	(29)	(10)
Interest Income / (expense), net	(115)	(129)	(148)	(121)	(128)	(119)	(122)	(127)	(136)
Profit Before Taxes and exceptional item	1,069	806	1,036	1,031	1,035	1,254	1,476	1,652	1,654
<i>Profit Before Taxes and exceptional item %</i>	<i>10.9%</i>	<i>8.2%</i>	<i>9.8%</i>	<i>9.5%</i>	<i>9.7%</i>	<i>10.6%</i>	<i>10.8%</i>	<i>11.3%</i>	<i>11.1%</i>
Exceptional Item	-	-	-	-	-	-	-	(1,099)	-
Profit Before Taxes	1,069	806	1,036	1,031	1,035	1,254	1,476	553	1,654
<i>Profit Before Taxes %</i>	<i>10.9%</i>	<i>8.2%</i>	<i>9.8%</i>	<i>9.5%</i>	<i>9.7%</i>	<i>10.6%</i>	<i>10.8%</i>	<i>3.8%</i>	<i>11.1%</i>
Taxes and Minority Interest	157	132	140	115	148	201	265	87	309
Profit After Tax	912	674	895	916	887	1,053	1,210	467*	1,345
<i>Profit After Tax %</i>	<i>9.3%</i>	<i>6.8%</i>	<i>8.5%</i>	<i>8.5%</i>	<i>8.3%</i>	<i>8.9%</i>	<i>8.9%</i>	<i>3.2%</i>	<i>9.1%</i>
Diluted EPS (₹ /Share)	1.32	0.97	1.29	1.31	1.27	1.50	1.72	0.66	1.91

* For Q4 FY21, PAT excluding the exceptional charge is INR 1,309 Mn or 8.9%

Financial Performance (Yearly)

In ₹ million	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Income from services	31,617	34,569	34,315	37,867	40,502	50,327
Other operating Income	556	987	1,038	396	484	453
Revenue from operations	32,173	35,556	35,352	38,263	40,986	50,780
Revenue from operations (USD Mn)	\$ 491	\$ 530	\$ 548	\$ 548	\$ 578	\$ 685
<i>YoY Growth % - Constant Currency</i>	<i>2.0%</i>	<i>12.9%</i>	<i>2.8%</i>	<i>2.0%</i>	<i>6.6%</i>	<i>17.9%</i>
Personnel Expense	21,727	23,834	23,955	25,573	27,735	34,672
Operating Expense	6,545	7,342	6,809	7,336	6,962	8,065
Operating EBITDA	3,901	4,380	4,589	5,355	6,289	8,042
<i>Operating EBITDA %</i>	<i>12.1%</i>	<i>12.3%</i>	<i>13.0%</i>	<i>14.0%</i>	<i>15.3%</i>	<i>15.8%</i>
Depreciation / amortization	609	590	659	744	1,852	2064
Operating Margin	3,292	3,790	3,930	4,610	4,437	5,979
<i>Operating Margin %</i>	<i>10.2%</i>	<i>10.7%</i>	<i>11.1%</i>	<i>12.0%</i>	<i>10.8%</i>	<i>11.8%</i>
Other Income / (expense)	77	(21)	(11)	(26)	17	(13)
Interest Income / (expense), net	(507)	(400)	(338)	(225)	(512)	(496)
Profit Before Taxes and exceptional item	2,862	3,369	3,580	4,359	3,942	5,469
<i>Profit Before Taxes and exceptional item %</i>	<i>8.9%</i>	<i>9.5%</i>	<i>10.1%</i>	<i>11.4%</i>	<i>9.6%</i>	<i>10.8%</i>
Exceptional Item	-	-	-	-	-	(1,151)
Profit Before Taxes	2,862	3,369	3,580	4,359	3,942	4,318
<i>Profit Before Taxes %</i>	<i>8.9%</i>	<i>9.5%</i>	<i>10.1%</i>	<i>11.4%</i>	<i>9.6%</i>	<i>8.5%</i>
Taxes and Minority Interest	257	569	315	581	545	702
Profit After Tax	2,605	2,800	3,265	3,778	3,397	3,617*
<i>Profit After Tax %</i>	<i>8.1%</i>	<i>7.9%</i>	<i>9.2%</i>	<i>9.9%</i>	<i>8.3%</i>	<i>7.1%</i>
Diluted EPS (₹ /Share)	3.72	4.08	4.73	5.45	4.89	5.13

* For FY2021, PAT excluding the exceptional charge is INR 4,499 Mn or 8.9%

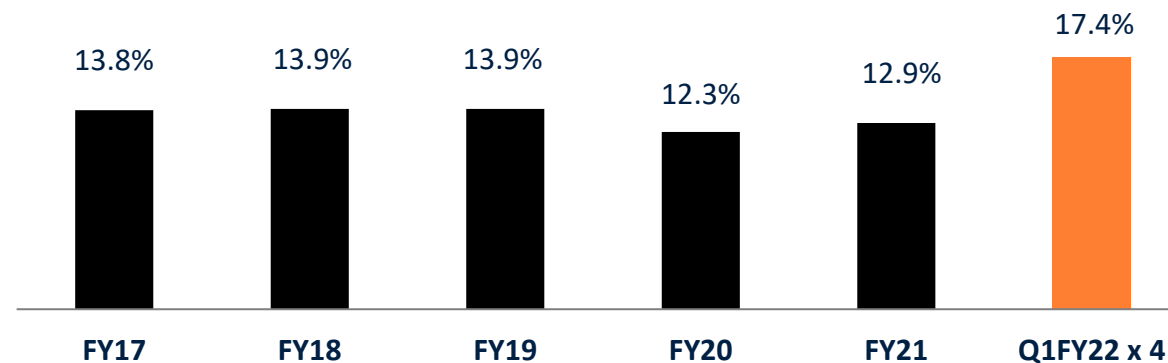
Balance Sheet and Cash Flow Statement

In ₹ million	As at 30-June-21	As at 31-Mar-21
Equity And Liabilities		
Share Capital	6,967	6,961
Reserves & Surplus	22,760	21,032
Non - Controlling Interest	1,119	5
Borrowings	6,202	6,045
Other Non - Current Liabilities	6,777	5,438
Current liabilities	6,448	8,816
Total	50,273	48,297
Goodwill on Consolidation	22,305	21,948
Fixed Assets	9,117	8,028
Cash and Cash Equivalents	1,340	1,373
Current Investments	819	826
Trade Receivables (Billed + Unbilled)	9,144	8,431
Non - Current Assets	5,938	6,008
Current Assets	1,611	1,683
Total	50,273	48,297

In ₹ million	Quarter ended 30-June-21
Cash Flow from Operating Activities	
Operating Margin	1,800
Adj: Non Cash and Other Income / (Expense)	585
Operating Cash before Working Capital	2,384
Add: Working Capital Changes	(1,836)
Less: Income Taxes Paid	(304)
Net Cash generated from Operating Activities	244
Cash Flow from Investing Activities	
Capital Expenditure (net)	(123)
(Investments)/ Proceeds from Current Investments	17
Net Cash used in Investing Activities	(106)
Cash Flow from Financing Activities	
Net Increase / (Decrease) in Borrowings	158
Net Interest Paid (as per Ind AS 116)	(147)
Payment of Lease Liabilities	(243)
Increase in Shareholder's Funds	28
Net Cash used in Financing Activities	(204)
Net Increase / (Decrease) in Cash and Cash Equivalents	(66)
Opening Cash and Cash Equivalents	1,373
Earmarked Balances with Banks	20
Foreign Exchange (Gain) on Translating Cash and Cash Equivalents	13
Closing Cash and Cash Equivalents	1,340
Cash and Cash Equivalents Including Current Investments	2,159

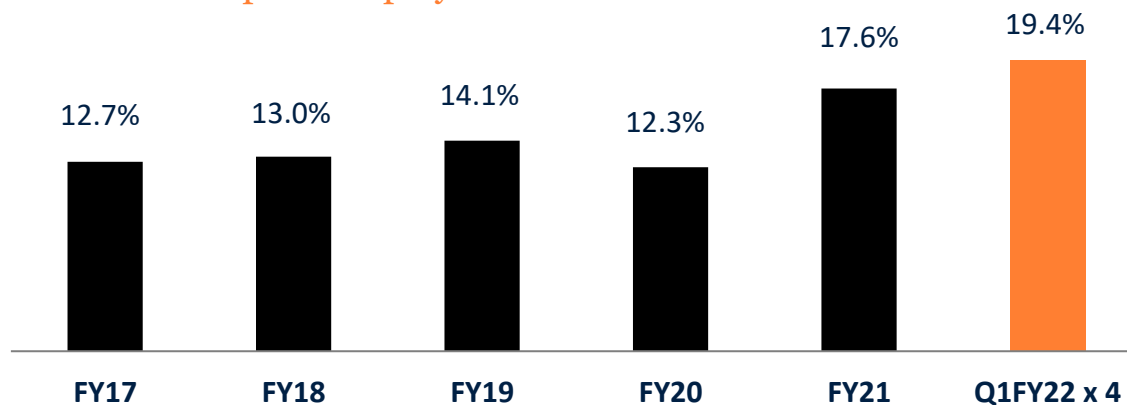
Key Performance Indicators

Return on Equity

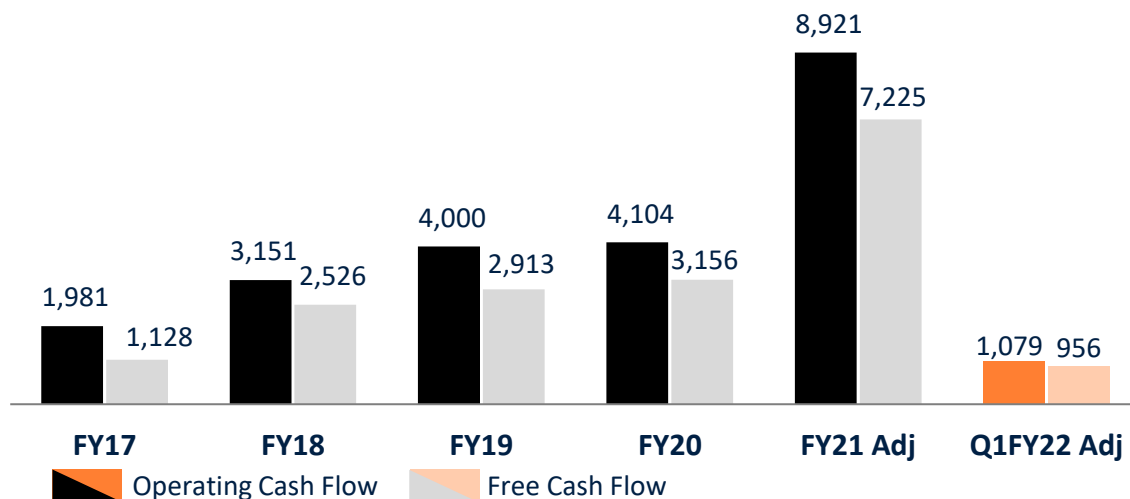


Note: FY21 ROE will be 16.1% excluding for exceptional item

Return on Capital Employed

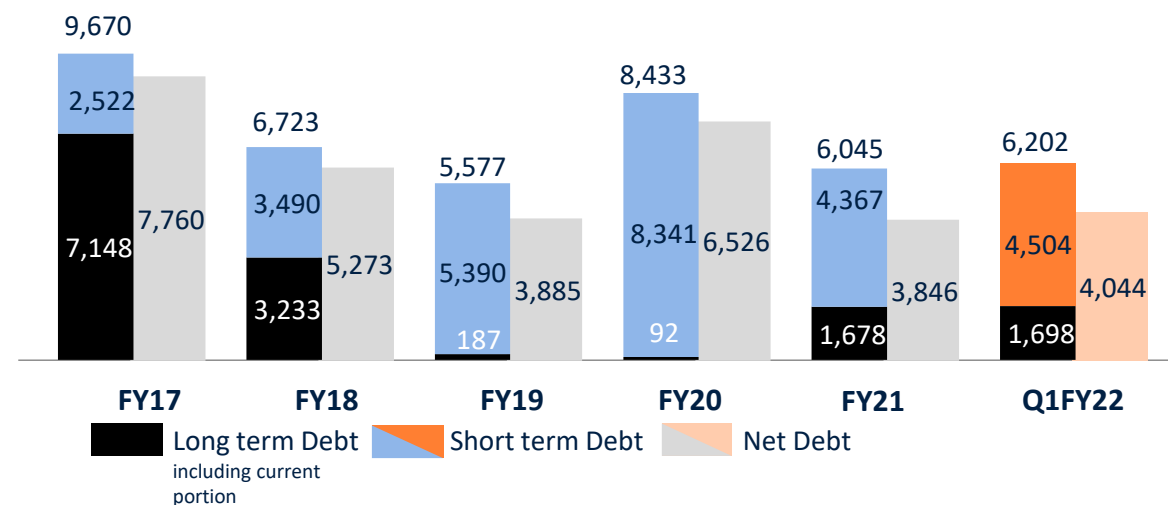


Cash Flow



Note: FY21 and Q1 FY22 OCF and FCF adjusted for advance received from customers

Debt Position



Operating Metrics

	Particulars	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021	Q4 FY 2021	Q1 FY 2022
Revenue by Vertical	Banking & Financial Services	35.6%	40.4%	42.9%	42.8%	51.2%	51.9%	52.0%	52.2%	51.7%
	Communications Media & Tech	27.2%	22.0%	21.9%	22.9%	16.2%	18.8%	20.5%	20.8%	19.6%
	Healthcare	33.5%	34.5%	32.4%	31.3%	29.9%	27.1%	25.3%	24.8%	26.7%
	Diverse Industries	3.7%	3.1%	2.8%	3.0%	2.7%	2.2%	2.2%	2.2%	2.0%
Revenue by Service Lines	Digitally Empowered Contact Centre	55.2%	51.6%	49.8%	51.2%	47.8%	49.1%	48.9%	47.2%	46.3%
	Intelligent Back Office	39.6%	42.8%	45.0%	42.5%	44.2%	42.9%	44.8%	47.9%	47.6%
	Platforms, Automation & Analytics	5.2%	5.6%	5.2%	6.3%	8.0%	8.0%	6.3%	4.9%	6.1%
Revenue by Geography	US	57.0%	61.6%	63.3%	63.2%	69.1%	68.1%	67.1%	67.4%	67.6%
	UK	41.6%	36.9%	35.3%	35.3%	29.7%	30.6%	31.5%	31.5%	31.1%
	Rest of World	1.4%	1.5%	1.4%	1.5%	1.2%	1.3%	1.4%	1.1%	1.3%
Revenue by Delivery	Offshore	22.5%	22.8%	25.2%	25.6%	24.8%	27.0%	29.8%	30.6%	29.3%
	Onshore	77.5%	77.2%	74.8%	74.4%	75.2%	73.0%	70.2%	69.4%	70.7%
Top Clients Revenue	Top client %	24.9%	19.8%	19.5%	20.3%	13.7%	16.2%	17.5%	17.5%	16.3%
	Top 5 client %	41.2%	39.5%	42.1%	42.2%	39.9%	40.4%	41.4%	42.3%	42.0%
Other Metrics	Total employees (end of period)	18,550	20,001	20,482	21,203	21,831	23,960	26,618	28,004	27,916
	• Employees in India	9,305	10,493	10,982	11,450	11,684	13,536	15,381	16,289	16,677
	• Employees outside India	9,245	9,508	9,500	9,753	10,147	10,424	11,237	11,715	11,239
	Net Addition	(162)	1,451	481	721	628	2,129	2,658	1,386	(88)
	Offshore Attrition*	45.3%	40.0%	36.0%	33.5%	15.1%	26.3%	28.8%	28.6%	29.2%
	Onshore Attrition*	46.8%	54.6%	45.8%	41.9%	30.2%	47.3%	34.6%	40.0%	54.8%

*Post 180 days attrition - Quarter annualized

Forex Hedges

Outstanding FX hedges at \$103.0 million for USD and £55.3 million for GBP

	GBP-INR		USD INR	
Period	Hedged	Average Rate	Hedged	Average Rate
0-12 Months	£ 34.2	Rs 107.7 /£	\$ 98.0	Rs 76.6 /\$
13-24 Months	£ 21.1	Rs 116.1 /£	\$ 5.0	Rs 80.4 /\$

Prior Period Reports

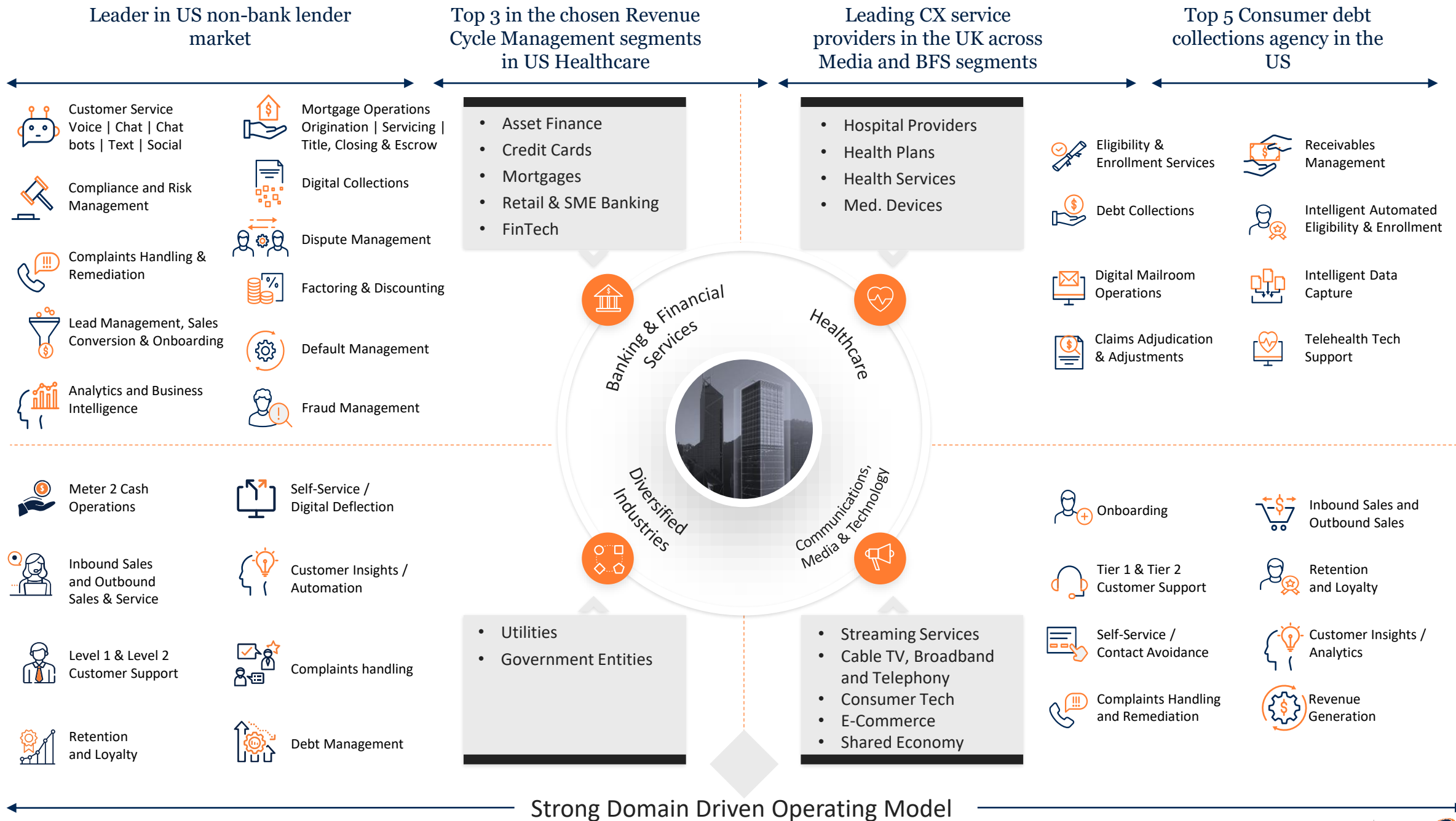
(Hyperlinks)

ANNUAL REPORT					PUBLISHED RESULTS					INVESTOR PRESENTATIONS					PRESS RELEASE				
FY2021					FY2022	Q1				FY2022	Q1				FY2022	Q1			
FY2020					FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4
FY2019					FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4
FY2018					FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4
					FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4

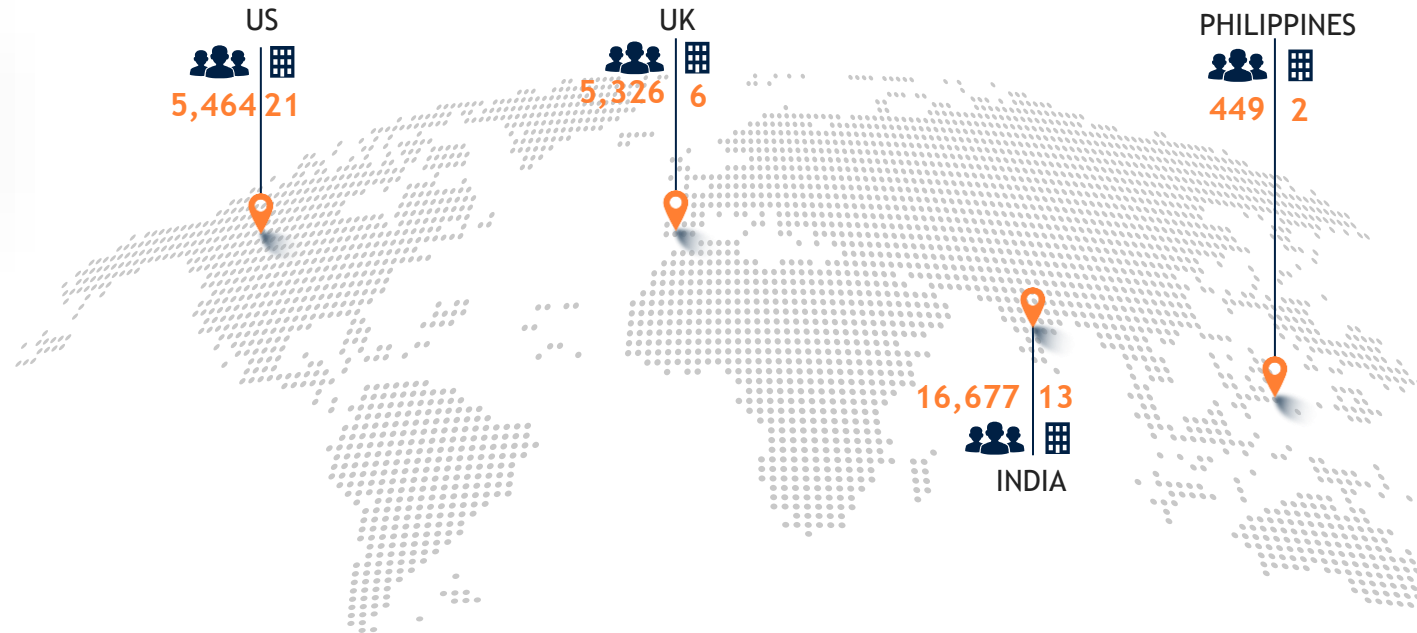
FACT SHEET					TRANSCRIPTS					SHAREHOLDING PATTERN				
FY2022	Q1				FY2022	Q1				FY2022	Q1			
FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4	FY2021	Q1	Q2	Q3	Q4
FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4
FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4
FY2018	Q1	Q2	Q3	Q4	FY2018	Q1	Q2	Q3	Q4					

[Click Here](#)

To subscribe for future updates



About Us



- Established in **2001**
- Revenues of **INR 51.0 Billion**
(approximately \$685 Million) in FY2021
- **27,916 Firstsourcers**
across US, UK, India and Philippines
- **Leaders in chosen segments**
across Banking & Financial Services, Healthcare, Communications, Media & Technology
- **Domain driven BPM services company**
Leveraging a 'Digital First, Digital Now' approach to solve key customer problems
- **150+ global clients including**
17 Fortune 500 companies and 9 FTSE 100 companies
- **Publicly Traded on Indian Stock Exchanges**
NSE: FSL BSE: 532809 Reuters: FISO.BO Bloomberg: FSOL@IN

Part of RP-Sanjiv Goenka Group



Power



Carbon Black



Consumer & Retail



Media & Entertainment



Education & Infrastructure



IT-Enabled Services



Sports



Combined
Revenues of
\$3.6 Billion in
FY2021



Select Awards



International Customer Experience Awards

2020: Firstsource, jointly with a client, won Silver Award for Best Customer Experience Strategy



Contact Centre Network Northern Ireland Awards

2020: Best Homeworking Programme for Derry Center

2019: Outsourced Contact Centre of the Year award with our client

2018: Won in the Support Team of the Year category



Welsh Contact Centre Awards

2020: Contact Centre Manager of the Year

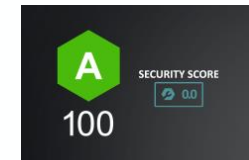
2019: Gold for People Engagement

2018: Gold for Outsourced Contact Centre of the Year and People Engagement



NelsonHall

- Positioned as a 'Leader' in NEAT Evaluation for 'Overall Mortgage & Loan Services' and 'Support for New Digital Business Models'
- Positioned as a 'Leader' in its 'Intelligent Automation in Banking NEAT 2021' report



"A-100" by SecurityScorecard™

2021: Rated 'A-100' by SecurityScorecard™ - a testament to our robust security posture across technology platforms, cloud solutions and applications, and our best practices-based security protocols.

Industry Associations



Corporate Management

Senior Leadership



Vipul Khanna

MD & Chief Executive Officer



Dinesh Jain

Finance



Prashanth Nandella

Operations



Randall Shafer

Healthcare
Provider



Lauralea Tanner

Healthcare
Provider Markets



Venkatgiri Vandali

Health Plans &
Healthcare Services



Deb Biswas

Communications,
Media & Technology



Siddharth Parashar

Europe Business



Arjun Mitra

Collections



Steven Schachter

Mortgage



Shuchika Sahay

Human Resources



Sundara Sukavanam

Digital Services



Rajlakshmi Raghavan

Marketing &
Communication

*Helping customers **stay ahead** of the curve through transformational technologies and capabilities*

Firstsource Solutions Limited, an RP-Sanjiv Goenka Group company, is a leading provider of transformational solutions and services spanning the customer lifecycle across Healthcare, Banking and Financial Services, Communications, Media and Technology and other industries.

Our 'Digital First, Digital Now' approach helps organizations reinvent operations and reimagine business models, enabling them to deliver moments that matter and build competitive advantage.

With an established presence in the US, the UK, India and the Philippines, we act as a trusted growth partner for over 100 leading global brands, including several Fortune 500 and FTSE 100 companies.

www.firstsource.com

